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December 28, 2004

By Electronic Filing

Honorable J. Frederick Motz
United States District Judge
District of Maryland
United States Courthouse
101 W. Lombard Street
Baltimore, Maryland 21201

- Re: (1) PracticeWorks, Inc., et al. v. Professional Software
Solutions of Illinois, Inc., Civil No. JFM-02-1205
- (2) Practice Works, Inc., et al. v. Dental Medical
Automation, Inc., Civil No. JFM-02-1206

Dear Judge Motz:

We represent Plaintiffs PracticeWorks, Inc. and SoftDent, LLC ("Plaintiffs") in the above-referenced matters and submit this joint letter with counsel for Defendants Professional Software Solutions of Illinois, Inc. ("PSSI") and Dental Medical Automation, Inc. ("DMA") (collectively "Defendants").

We are pleased to notify the Court that, with the guidance and assistance of Magistrate Judge Beth Gesner, the parties have settled these matters. Pursuant to Judge Gesner's instructions, we are submitting for your review the following settlement documents, which, as set forth herein, we respectfully request be "So Ordered" by Your Honor:

- (i) The Settlement Agreement, with unexecuted form Exhibits A through F thereto, to be "So Ordered" by the Court on page 20;
- (ii) Exhibit A, the Consent Judgment for Injunction Against Defendants, executed by Plaintiffs and Defendants, and to be "So Ordered" by the Court on page 7;
- (iii) Exhibit E, Stipulation of Dismissal With Prejudice, executed by Plaintiffs' counsel and Defendants' counsel, and to be "So Ordered" by the Court on page 2;
- (iv) Exhibit F, Stipulation for Entry of Money Judgment, executed by Plaintiffs and Defendant PSSI, and to be "So Ordered" by the Court on page 4; and
- (v) Exhibit F, Stipulation for Entry of Money Judgment executed by Plaintiffs and Defendant DMA, and to be "So Ordered" by the Court on page 4.

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With respect to the two Exhibits F, the Stipulation for Entry of Money Judgment, the parties are not seeking entry of a money judgment against each Defendant, but rather, are asking the Court to “So Order” the stipulated procedure agreed upon by the parties—over which the Court retains jurisdiction—in the event that the Settlement Agreement or Consent Judgment are breached by Defendants (as set forth in paragraph 2 of the Stipulation for Entry of Money Judgment and paragraphs 5, 12 and 15 of the Settlement Agreement).

For all the foregoing reasons, the parties respectfully request that the Court “So Order” the settlement documents referenced hereinabove.

Respectfully submitted,

/s/ Michael S. Gordon

Michael S. Gordon

MSG:dmp
Enclosures

cc: Hon. Beth P. Gesner
Howard E. Cotton (Plaintiffs’ counsel)
Mark E. Wiemelt, Esq. (Defendants’ counsel)
John M.G. Murphy, Esq. (Defendants’ counsel)